



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt  
Governor

Kathleen Clarke  
Executive Director

Lowell P. Braxton  
Division Director

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
801-538-5340  
801-359-3940 (Fax)  
801-538-7223 (TDD)

January 4, 2000

Tom Newman  
Holnam Incorporated  
Geo-Technical Services  
P.O. Box 1468  
LaPorte, Colorado 80535-1468

Re: Status of Notice to Conduct Exploration, Poverty Point, M/045/012, Tooele County, Utah

Dear Mr. Newman:

On December 20, 1999 we received two Notices to Conduct Exploration for Holnam's Poverty Point and Diatom Gulch projects. A \$100.00 initial fee was included with the Diatom Gulch notice. That notice has been approved under separate letter.

However, as you had concern regarding whether you needed a new notice for the Poverty Point exploration drilling, we have reviewed that notice and have determined that it does lie within the boundary of your Poverty Point large mine permitted area. Therefore, a new notice is not necessary for this drilling project and a fee will not be required. We will amend the notice to the Poverty Point large mining permit file to include the six pads and six drill holes. There is adequate surety to cover this additional five acres of proposed disturbance for this drilling project. **You may proceed with exploration drilling on the Poverty Point permit at your convenience.**

Thank you for keeping us apprised of your activities on the Poverty Point mine site. If you have any questions regarding this letter, please contact me at (801) 538-5267.

Sincerely,

Tom Munson  
Senior Reclamation Specialist

jb  
cc: John Blake, SITLA (ML36110)  
Ken George, Holnam, Morgan, Ut  
m45-12-amd